



Winter 2015



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# GPSC News

Volume 13 Issue 2

*\*Staff and consultant testimony on December 16, 2014*

*\*Rebuttal hearing cancelled*

*\*Decision due on February 19, 2015*

*\*Georgia Power files next report on February 27, 2015*

## In this issue

Echols Hosts Unholy Tour 2

Commissioners Everett and McDonald Take Oath of Office for New Terms 3

Eaton Re-elected Chair 3

Commissioner Approves Additional Solar Energy 4

Commission Files Comments on Proposed EPA Rules 4

Commission Approves Solar Projects at Three Georgia Military Bases 5

EPA Proposed Clean Power Rules 6

Employee News 7

Commission Calendar 8

## Next Issue April 2015

## Commission Hears Testimony on Plant Vogtle Construction Project

Commission staff and consultants presented testimony on December 16, 2014 as the Commission wrapped up hearings on the Eleventh Plant Vogtle Construction Monitoring Report. The Commission cancelled the rebuttal hearings set for January 20, 2015 after Georgia Power notified the Commission the Company would file no rebuttal testimony. During the hearing the Commissioners heard testimony from the independent Vogtle Construction Monitor Bill Jacobs, Commission Utility



**Steve Roetger and Bill Jacobs present testimony to the Commission**



**Audience listens to hearing testimony**

Analyst Steve Roetger and Consultants Philip Hayet and Carey Cook. The Commission is scheduled to issue its decision in this docket during the Administrative Session on February 19, 2015.

Georgia Power is scheduled to file the Twelfth Vogtle Construction Monitoring Report on February 27, 2015.

Georgia Power announced on January 29, 2015 that the two units completion dates will be delayed by 18 months. Unit 3 estimated completion date is 2019 while Unit 4 completion date is 2020.

## Wise Named NARUC Gas Committee Chair

The President of the National Association of Regulatory Utility Commissioners (NARUC), Commissioner Lisa Polak on January 8 appointed **Commissioner Stan Wise** as Chair of NARUC's Committee on Gas. Through panel discussions and educational sessions, the Gas Committee fosters awareness and understanding of issues affect-



**Commissioner Wise**

ing the transportation, distribution, and sale of natural gas safely, efficiently, and economically. Committee members work closely with the Federal Energy Regulatory Commission and the U.S. departments of Energy and Transportation. Commissioner Wise is a former past President of NARUC who served in

*(Continued on page 2)*

## Commissioner Echols Hosts "Unholy Tour"

On Tuesday evening, January 20, 2015, **Commissioner Tim Echols** assembled a group of legislators, elected officials and concerned citizens for what he called an "Unholy Tour." Echols, using a donated bus from Samson Trailways, took the group into areas of Atlanta where sex trafficking and prostitution is rampant. "Sex Trafficking is a blight on our city and state," Echols said. "We hope this tour will aid lawmakers in their effort to effectively reduce this heinous activity."

Leading the tour was Kasey McClure from the 4Sarah organization. 4Sarah's mission is to provide outreach to women



**The Tour Bus**

who are still in "the life" and to coordinate with other organizations to provide support and counseling to those who have gotten out.

Echols said he got the idea from the movie "Amazing Grace" where William Wilberforce, the British Parliamentarian, rented a boat and took fellow lawmakers for a tour of the London harbor with a sobering stop near a slave ship. There, Wilberforce told them a gruesome story of how slaves were captured, transported and treated. He successfully ended the slave trade after

If you have a story for the next GPSC News, please send to Bill Edge, [bille@psc.state.ga.us](mailto:bille@psc.state.ga.us). Next issue deadline is March 15, 2015.

working for over two decades on the effort.

Commissioner Echols, an Atlanta native, and a father of four daughters, said he is very concerned about the men enslaving these women, and the men purchasing their services from "pimps" in the Atlanta area.

Echols said that on a global scale, human trafficking, also known as "modern day slavery," is the second largest criminal enterprise after drug trafficking. The number of victims to-



**Commissioner Echols**

Sexual Exploitation of Children in the United States with between

day (28 million) far surpasses the number of victims of the transatlantic slave trade (~15 million).

According to the Carter Center, Atlanta is ranked number

one for Commercial

100 and 200 girls sold into slavery each month.

"The out-of-control sex trade in Atlanta is intrinsically tied to the abominable act of human trafficking occurring in our nation," said Echols. "We all need to work to end it and put those responsible for enslaving these women in prison for a long time."

Commissioner Echols is in his fifth year on the Georgia Public Service Commission, having

*(Continued on page 6)*

## Wise Named NARUC Gas Committee Chair

*(Continued from page 1)*

2003-2004.

"I am honored to be able to chair this committee as this is an incredible time to be involved in the regulated gas industry" Commissioner Wise said. "The shale gas boom is reshaping the U.S. energy sector both domestically

and abroad. With prices at historic lows, we have a responsibility to ensure consumers are the beneficiaries of any new policies and regulations. We also must always keep our collective eye firmly planted on the safety of our pipeline systems. There is much work in front of us and I look forward to working with my

colleagues go-

ing forward," said Commissioner Wise.

Commissioner Wise is serving in his fourth term on the Commission. His full biography is found at the Commission web site at <http://www.psc.state.ga.us/content.aspx?c=/commissioners/stan-wise/?tab=2>.

## Commissioners Doug Everett and Lauren "Bubba" McDonald Sworn In for New Terms

Governor Nathan Deal on December 16, 2014 administered the oath of office to **Commissioners Doug Everett and Lauren "Bubba" McDonald** as they begin new six-year terms on the Commission. Everett, of Albany, Georgia, was joined by his wife, Janice, his son Mitch Everett, and daughter Denice Delk and granddaughter Katie Delk for his swearing in. "I am honored that the voters have again placed their trust in me to ensure that we can provide just and reasonable rates while ensuring that we have financially and technically capable utilities," said Everett. Everett begins his



**Shelley McDonald looks on as her husband Commissioner Lauren "Bubba" McDonald (left) takes the oath of office from Governor Nathan Deal (right)**

third term on the Commission. Everett placed his hand on the same Bible he took the oath on for his

first term in 2002 by then Governor Roy Barnes. McDonald's wife Shelley, son Lauren McDonald III, daughter in law Claire McDonald, his three grandchildren Wylie, Ridley and Hayley, and mother-in-law Rozelle Walker watched Commissioner McDonald, of Habersham County Georgia, take his oath of office. McDonald begins his second full term on the Commission. He was first elected in 1998 and then elected to a full term in 2008. "I will continue to see that Georgia has safe, affordable and reliable energy to provide an economically vibrant state," said McDonald.



**Commissioner Doug Everett (left) takes the oath of office as his wife Janice Everett (center) looks on**



**Commissioner McDonald and his family pose following the swearing in**



**The Everett family gathers in the Governor's Office following the swearing in**

## Eaton Re-elected Commission Chairman

The Commission November 4, 2014 unanimously re-elected **Commissioner Chuck Eaton** for another two year term as Chairman of the Commission. Senate Bill 483, passed in March 2012, gave the Commissioners the right to select their own leadership. The law also changed the term of this position from one to two



years for greater continuity and stability and with the opportunity to re-elect that person for one additional two year term. Commissioner Eaton has

served as chairman during 2013 and 2014. Commissioner Eaton, who the voters re-elected to another six-year term on the Commission in November 2012, said that "he was honored and humbled to be selected by his colleagues for this position."

## Commission Approves Additional 515 Megawatts of Solar Generation; Adds Solar Project at King's Bay Naval Base

The Commission December 16, 2014 took another step in the expansion of solar energy in our state with the unanimous approval and certification of ten solar power purchase agreements (PPA) for the Georgia Power Company. These projects will add more than 515 megawatts (MW) of solar generation to the Company's energy mix. The approval of these PPAs is part of the Company's 2015 and 2016 Advanced Solar Initiative (ASI) Prime and its 2015 ASI in Docket numbers 38877 and 39028. After the completion of these projects, Georgia Power



will have nearly 900 MW of solar energy on line by the end of 2016.

"This Commission continues to lead way in new solar generation, which will produce jobs and savings for consumers," said **Commissioner Lauren "Bubba" McDonald.**

"These projects will move Georgia forward in adding solar energy to our energy portfolio without putting upward pressure on rates," said **Commission Vice-chair Doug Everett.**

**Commissioner Tim Echols** added, "Georgia is doing solar different than California, Arizona and Germany with our emphasis on utility scale projects," said Echols. "We didn't subsidize nor require power companies to reach some lofty percentage of generation—and as a result the market will actually put downward pressure on rates."

The ASI-Prime portfolio consists of the following projects which

total 438.67 MW:  
Decatur Parkway Solar Project, LLC  
Butler Solar, LLC  
LS-Pawpaw, LLC  
White Pine Solar, LLC  
White Oak Solar, LLC  
Live Oak Solar, LLC

The term for most of these PPAs is 30 years and the projects are expected to be online either by the end of 2015 or 2016.

The projects in the ASI

which total 76.58 MW are:  
Decatur County Solar Project, LLC  
Hecate Energy Old Midville Road, LLC  
Solar Glynn, LLC  
Butler Solar Farm, LLC

The term for these projects is 20 years and these projects are expected to be online by the end of 2015. All of the above projects were initiated as a result of Georgia Power's 2010 and 2013 Integrated Resource Plans (IRP)

which the Company submits every three years for Commission action.

The Commission also approved a solar energy project between Georgia Power and the U.S. Navy to initiate a 30 MW solar project at King's Bay Naval Submarine Base near St. Mary's, Georgia in southeast Georgia. This project is also scheduled to come on-line in 2016. This project is based upon capacity from the recently cancelled Plant Mitchell

## Georgia Public Service Commission Files Comments on EPA Proposed Clean Power Rule

The Commission, in comments filed December 2, 2014, with the U.S. Environmental Protection Agency (EPA), urged the EPA to "significantly modify" the proposed "Clean Power Plan Rule" filed by EPA on June 2, 2014 under Section 111(d) of the Clean Air Act. In its comments, the Commission not-

ed that "the proposed rule is unclear and will create difficulties for regulators and ratepayers in Georgia. We request an adjustment to Georgia's final goal to relieve the hardship we believe the rules, as written, will impose."

Commission Chairman Chuck Eaton said, "I think the pro-

posed rule unfairly penalizes Georgia for the progress we've already made in reducing carbon emissions."

The EPA originally requested comments by October 16, 2014, however due to the overwhelming response from all parties, the EPA extended the comment

*(Continued on page 5)*

## Commission Approves Solar Energy Installations at Three Georgia Military Bases

The Commission October 23, 2014 unanimously approved the construction of three solar photovoltaic installations on three Georgia military bases as part of a partnership between the Georgia Power Company and the U.S. Army. The three bases are Fort Benning, Fort Gordon and Fort Stewart. All three projects are scheduled to be completed before the end of 2016 and will generate up to 30 megawatts of electricity each. The



**Commissioner Lauren "Bubba" McDonald** announces the Commission approval of the projects at a Capitol news conference. Also with McDonald are (left to right): Georgia Power President Paul Bowers, Amanda Simpson, Maj. Gen. Al Aycock, McDonald, CAPT John Kleim, Commissioner Everett

solar installations will provide power to Georgia Power customers but if needed can also generate power exclusively for each base. "These facilities will further promote the advance of solar energy in Georgia while at the same time meeting the military's renewable energy goals," said **Commissioner**

**Lauren "Bubba" McDonald** during a news conference at the State Capitol. Taking part in the announcement was **Commissioner Doug Everett, U.S. Army Major General Al Aycock, Director of Operations, Office of the Chief of Staff for Installation Management, U.S. Navy Captain John Kliem, Deputy Director of the Navy Renewable Energy Program Office, Amanda Simpson, Executive Direc-**

**tor, Army Office of Energy Initiatives and Georgia Power Company President Paul Bowers.**

"Not only is this power for today but this is power for the future and the right kind of power," said Major General Aycock. "This will ensure that Fort Benning, Fort Stewart and Fort Gordon have the energy they need to accomplish their mission," Aycock added.

"The military continues to lead the way in the development of renewable energy," said Commissioner Tim Echols. "I hope our action to-

day will help these bases remain a permanent fixture in their respective regions of the state."

Georgia Power filed its plan for these facilities on May 15, 2014 as part of its Renewable Action Plan under the 2007 Integrated Resources Plan (IRP). The Commission's order in the 2007 IRP required any projects to be equal to or less than the Company's avoided costs meaning

*(Continued on page 6)*

### EPA Rules

*(Continued from page 4)*

period to December 1, 2014. The EPA also held public hearings on the proposed rule in four cities around the country including Atlanta on July 28 and 29, 2014.

The Commission comments further addressed concerns on the Building Block methodology EPA uses to arrive at Georgia's pro-

posed emission reductions. In particular, the Commission said "the proposed rule treats the two nuclear power units now under construction at Plant Vogtle as though they were existing resources. As such, "the rule appears to be punitive to Georgia and its citizens. Georgia's investment in carbon-free energy should be given full credit toward compliance with the proposed rules." The Commission comments also addressed con-

cerns with the other building blocks on Heat Rate, Natural Gas Re-dispatch, Renewables and Energy Efficiency/Demand-side Management (DSM).

The Commission's comments on the EPA proposal pointed out multiple ways the proposed rule is inequitable and treats Georgia unfairly. The key points are summarized below:

*(Continued on page 6)*

## EPA Rules

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1. **Planning Authority.** The proposal jeopardizes the Commission's state planning authority in approving the investor owned utility's Integrated Resources Plan (IRP) and intrudes on state authority. The comments state: The rule, by imposing a one-size-fits-all type of guidelines based on other states, does not provide state regulators with tools to meet proposed goals on what may work in Georgia.
2. **Complexity and Timing.** The proposed rule is extremely complex with an aggressive timeline for planning and compliance that will make both developing and implementing a plan difficult.

Interstate Transfer and Plant Siting. The current proposal as written is not clear on how to split the emissions from a coal plant that provides power for multiple states.

3. **Benchmark Date.** There also appears to be some inconsistencies regarding the year used as an initial benchmark for carbon emissions. The proposed rules use 2012 as the benchmark date for all emissions although the goals are in reference to reductions from 2005 levels to align with President Obama's Climate Action Plan.

4. **Equity between States.** Georgia is mandated with a 48% reduction in its carbon intensity

rate, which is well above the 30% average required emissions reduction across all states. Stranded Assets and Rate Pressure. As a result of the proposed rule, ratepayers will be required to pay for new generation sources as well as previously installed environmental compliance measures for units that will have to be retired.

In summary, the Commission urged EPA to modify the rule. The comments conclude with: "without revisions and clarifications, this rule will be unduly burdensome on Georgians placing upward pressure on electricity rates, an unacceptable outcome."

## Solar Projects

*(Continued from page 5)*

no upward pressure on rates. According to the Company's filing, these projects will contribute towards the Army's mandates regarding renewable energy and energy security and represent a significant investment in Georgia Army bases.

In other action the Commission:

1. Approved \$1 million for the Emergency Gas Heater and Wa-



ter Heater Repair and Replacement Program for low-income

senior citizens for the period of November 2014 through October 2015. The six participating agencies will administer the funds by their approved allocations. "The commission action today preserves an important program that helps low income seniors make their home more energy efficient," said Commissioner Tim Echols. "Over 900 homeowners have benefited from this program by receiving either a

hot water heater or a furnace or both."

2. Approved \$16 million in Universal Service Fund (USF) expenditures to extend Atlanta Gas Light pipelines in Appling County Phase-I that will ultimately serve Southeastern Peanut and Gin and Claxton Poultry and any other new customers that want natural gas service.

3. Approved \$6 million in USF expenditures for two projects. The first is for the con-



tinued Atlanta Gas Light line-extension in Appling County Phase-II, and Phase-II of the project will be funded either with future USF dollars or by the Customer Growth Program. The second is for the Fannin County Project.

## Unholy Tour

*(Continued from page 2)*

been elected statewide in November, 2010.

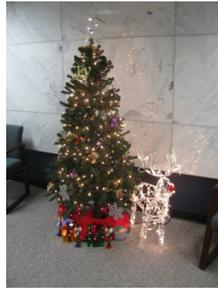
His complete biography and photo are found on the Commission web site at <http://www.psc.state.ga.us/pscinfo/bios/echols.asp?tab=Tab2>.

# Employee News

## Commission Celebrates the Holidays

The Commission December 18, 2014 celebrated the holidays and its employees service with the Annual Holiday and Faithful Service Awards Luncheon.

During the program before the luncheon, ten employees were awarded for their faithful service ranging from five to 20 years. Those employees were **Five years : Reggie Nelson; 10 years: Onterio Johnson; 15 years: Cathy Nesbitt, Jeff Stair, Ann McCullough and Jada Brock.**



**1st floor lobby Christmas Tree**



**Chairman Eaton Opens the Program**



**Holiday Luncheon**

**20 years: Tom Bond, John McCarter.**

Following the awards program, everyone enjoyed a holiday lunch-

eon which included salads, meats, side dishes and plenty of desserts to satisfy everyone's sweet tooth.



**Echols Presents Green Initiative Award**



**Commissioner Tim Echols** presented a Green Initiative Award to Windstream Communications for reducing energy consumption at two of its locations by 28 percent. The Company used air conditioning refrigerant by EcoCool Enterprises.

### Welcome

To **Lynn Page**, who began December 15, 2015, as Administrative Assistant to Commissioners Everett and McDonald. Lynn came to the Commission from a marketing representatives for a security software firm. She has a Bachelor's Degree in Marketing.

To **Nick Cooper** who began October 24, 2014 as an analyst in the Electric Section. Nick is from Seattle, Washington and has a Masters Degree from Georgia Tech.



### Farewell

To **Barbara Wolfe**, Administrative Assistant to Commissioners Everett and McDonald. Barbara retired December 31, 2014 after 11 years of service with the Commission.

To **Chris Wellborn**, Pipeline Safety Inspector, who left the Commission on December 31, 2014.

We wish both of them good luck in their future endeavors!



## Wise Takes Part in NARUC Panel on Media Relations



**Commissioner Wise Takes Part in Panel at NARUC Meeting in San Francisco**

**Commissioner Stan Wise** took part in a panel discussion at the Annual NARUC Meeting in San Francisco in November 2014. The topic of the panel was "Are You Ready for Your Close-up?", which focused on communicating with the public and news media. Pictured with Commissioner Wise are Commissioner Sheila Tipton of Iowa and Commissioner Brian Kalk, North Dakota .

## Georgia State Holidays for 2015

### Commission Calendar



**New Year's Day**  
**M.L. King, Jr. Day**  
**Confederate Memorial Day**  
**Memorial Day**  
**Independence Day**  
**Labor Day**  
**Columbus Day**  
**Veterans Day**  
**Thanksgiving Day**  
**Robert E. Lee's Birthday**  
**Washington's Birthday**  
**Christmas Day**

**January 1**  
**January 19**  
**April 27**  
**May 25**  
**July 3**  
**September 7**  
**October 12**  
**November 11**  
**November 26**  
**November 27**  
**December 24**  
**December 25**



#### February 2015

3-Administrative Session  
 12-Committees  
 17-Administrative Session  
 26-Committees

#### March 2015

3-Administrative Session  
 12-Committees  
 17-Administrative Session

#### April 2015

2-Committees  
 7-Administrative Session  
 12-Committees

## Commission Calendar

21-Administrative Session  
 27-Holiday  
 30-Committees  
**May 2015**  
 5-Administrative Session  
 14-Committees  
 25-Holiday  
 19-Administrative Session  
 28-Committees

#### NARUC

##### Winter Meetings 2015

February 15-18, 2015  
 Washington, D.C.

##### Summer Meetings 2015

July 12-15, 2015  
 New York City, N.Y.

##### Annual Meeting 2015

November 8-11, 2015  
 Austin, Texas

#### SEARUC

##### Annual Meeting 2015

June 14-17, 2015  
 San Antonio, Texas



**GPSC ONLINE:** [psc.state.ga.us](http://psc.state.ga.us)

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Discussion of regulatory matters in this newsletter should not be construed as legal interpretations of orders or rules issued by the Commission.



#### COMMISSIONERS

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**Lauren "Bubba" McDonald Jr.,  
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**Tim G. Echols**  
**Doug Everett**  
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